



Goal Setting

About this Topic: Goal Setting



Topic Mentors

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Penny Locey

Prior to joining Polaroid Corporation, Penny Locey was cofounder and director of the New England Institute for Career Development, an organization dedicated to training and development of career development professionals. She has also consulted for over 10 years, helping organizations with management training and career development. Currently she is a Manager of the Executive and Career Development Group at Polaroid where she has had a range of responsibilities in the Organizational Development and Training group, including team and leadership development.

Topic Source Notes

Learn

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What Would You Do?

What would you do?

Margie was having a tough time managing her product development group. Team members were frustrated because they were being pulled in a hundred different directions. Customer Service needed this. Marketing needed that. Finance was waiting on a report that should have been submitted a week ago. Amid all these different requests, the team was supposed to release a new product in two months! It was simply too much. Morale was low and team members were overworked. How could Margie get the group to focus on what they were trying to achieve, rather than on the challenges they were encountering along the way?

What would you do?

Even though Margie and her team are overworked, she needs to step back and prioritize all the work they have to do. Since releasing the new product on time is, in all likelihood, the highest priority, Margie should focus her team's efforts on getting this job accomplished. The requests from Customer Service, Marketing, and Finance will either need to be delegated to someone else or postponed until someone on her team has free time. By setting this goal, Margie will be able to focus the energy of her team and provide a unified direction for the group.

In this topic, you'll learn to:

- Work with your team to establish goals
- Break down goals into manageable tasks
- Assess your progress as you move toward your goals

Without well-defined goals, you will have difficulty juggling competing demands. How can you set goals that help focus your team's efforts?

Topic Objectives

This topic contains relevant information on how to:

- Use your work priorities to set effective goals
- Plan for obstacles in achieving goals
- Monitor implementation of your goals
- Evaluate your process for achieving goals

Definition



Goal setting is a formal process during which you define targets that you plan to achieve. When you set goals, you commit to outcomes that will be accomplished personally or through your team.

Purposes and benefits

“ The person who makes a success of living is the one who sees his goal steadily and aims for it unswervingly. That is dedication. ”
–Cecil B. Demille

Goal setting creates a long-term vision for your unit and provides the motivation to get you there. It has the additional benefit of helping you decide how you want to focus your resources and spend your time.

By setting goals and measuring their achievement you can:

- Focus on what is most important to accomplish on a daily, weekly, and annual basis
- Provide a unified direction for your team
- Prioritize your workload to focus on critical tasks
- Motivate your team and boost team members' overall job satisfaction

Types of goals

“ Destiny is no matter of chance. It is a matter of choice: it is not a thing to be waited for, it is a thing to be achieved. ”
–William Jennings Bryan

As a manager, you are responsible for working with your team to set:

- **Unit goals:** what your group as a whole will try to accomplish. For example, redesigning a Web site to make it easier to update and to improve your customers' experience.

- **Individual goals:** how each employee will contribute to achieving the unit goals. For example, a designer might set a goal of creating a site that has a modular architecture but is still attractive and compelling for online shoppers.

Goal alignment

Unit and individual goals should emerge from the strategy of the company as a whole. For example, if your organization's strategy is to become the market share leader through rapid product introductions, your unit and individual goals should serve that strategy.

The following figure illustrates the corresponding levels of aligned goals that flow from top to bottom:

The real power of these cascading goals lies in their alignment with the objectives of the organization. Ideally, every employee would understand his or her goal, how it relates to the unit's goals, and how the unit's activities contribute to the strategic objectives of the company.

Key Idea: Time frame and level of importance

Key Idea

Goals differ in terms of time frame and importance. Short-term goals are achievable within one or two months, and long-term goals are achievable over the course of several months or even years. This topic focuses primarily on long-term goals.

In terms of importance, goals generally fall into one of the following categories:

- **Critical goals** are crucial to your operation. They must be accomplished in order for your unit to continue running successfully.

For example, a product manager would want to ensure that the technology used to process orders for a customized medical device was up to date in order to get deliveries done on time.

- **Enabling goals** create a more desirable business condition or take advantage of a business opportunity. They are important, but accomplish a better business environment over the long term rather than keep your business on track and successful.

For example, a marketing team may set the goal of capitalizing on a new fad diet to increase sales of a healthy snack food by 5%.

- **Nice-to-have goals** make improvements that enhance your business. They usually relate to making activities faster or easier.

For example, an environmental consultant creates a document to use as a boilerplate for completing field assessment reports.

Not every goal is of equal importance. How do you determine which goals are the most critical?

Leadership Insight: The art of stretch targets

When setting goals, stretch targets are seen as an important element of creating a high-performance culture. Stretch targets are targets or goals that are a stretch, slightly difficult to achieve. By setting these targets at a stretch, it causes employees and associates to think more creatively about how they will achieve them, to be energized, to be motivated, to move the organization forward.

Setting stretch targets is an art. Stretch targets are a process. They emerge as a process of negotiation between the employee and the manager. The manager is trying to understand what are the possible objectives that the employee could achieve?

The employee is a little hesitant to give a very high stretch target number because, naturally, it causes a little bit of anxiety about whether in fact this performance would be met. A lot of research shows that a little bit of anxiety is actually a good thing. It causes people to perform at a level that they might otherwise not have. We can probably relate to this as we often do when we are studying for an exam, for instance. It causes us to put in that little extra effort because we don't want to fail.

On the other hand, stretch targets that are arbitrary, that are not the process of careful negotiation, that are not participative can be very difficult because they are often so badly stretched that employees do not have confidence that these are reasonable targets.

If that were to happen, employees will not believe that these targets are achievable, and therefore are not motivated to achieve them. Stretch targets are an art. When done well, they create a lot of energy and momentum in an organization. And when done badly, they serve no purpose and do not achieve the goal of motivating employees and helping them achieve better performance, as they are designed to do.

A tricky process that can create serious momentum.

Srikant Datar

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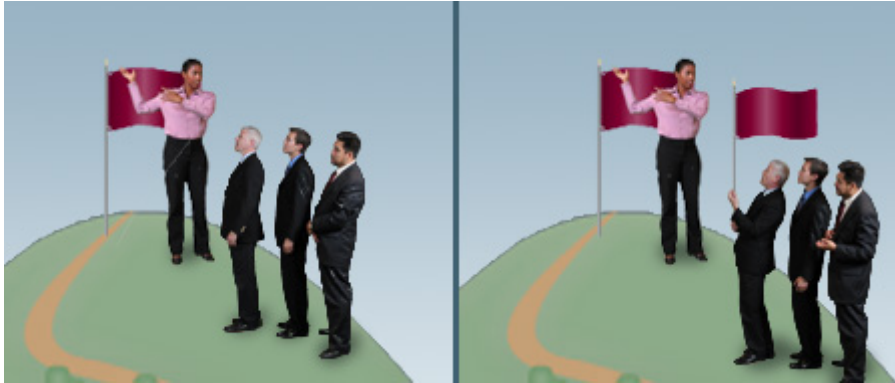
Srikant Datar is the Arthur Lowes Dickinson Professor of Accounting at Harvard University. Srikant received the George Leland Bach Award for Excellence in the Classroom at Carnegie Mellon University and the Distinguished Teaching Award at Stanford University.

He is a coauthor of the leading cost accounting textbook "Cost Accounting: A Managerial Emphasis" and of "Rethinking the MBA: Business Education at a Crossroads." Srikant's research interests are in the cost management and management control areas, including activity-based management, quality, and productivity.

His research findings have been published in several prestigious journals, including the Accounting Review, Journal of Accounting and Economics, and Journal of Accounting Research. Srikant serves on the Board of Directors of Novartis AG, ICF International, KPIT Cummins Info Systems Ltd., Stryker Corporation, and Harvard Business Publishing.

He is a graduate with distinction from the University of Bombay. He received gold medals upon graduation from the Indian Institute of Management, Ahmedabad, and the Institute of Cost and Works Accountants of India. A chartered accountant, he holds two master's degrees and a Doctor of Philosophy from Stanford University.

Top-down versus bottom-up goals



Effective goals setting will help you and your direct reports make the most of your time at work. The two most common methods of goal setting are top-down and bottom-up.

- **Top-down goal setting:** Unit management sets broad goals, and each employee is assigned objectives that are aligned with and support those broad goals. This approach is most appropriate with employees who need close supervision, are new to an organization, or aren't familiar with unit or organizational goals.
- **Bottom-up goal setting:** Direct reports develop individual goals and their manager integrates them into larger unit goals. This approach is most appropriate when employees are fairly self-directed and clearly understand the business strategy and customer needs of the organization as a whole, as well as their own roles within it.

In most cases, however, a company's goals are determined through a process that includes both approaches. Usually, management does not dictate objectives to employees without consultation, nor do employees have a free hand in determining their own goals. Instead, goals are determined through a negotiation process in which management and employees discuss what is necessary and feasible.

Make goals SMART

“ A goal properly set is
halfway reached ”
–Abraham Lincoln

Regardless of whether your goals are set top-down, bottom-up, or something in between, it is important that they be expressed clearly. The more explicitly you state your goals from the beginning, the less chance you have for disagreement at the end about whether or not you have met them.

As you set both unit and individual goals, write them down. Doing so can help you more clearly define what you hope to accomplish and strengthen your commitment. Use the following SMART criteria to draft clear goals:

- **Specific.** You can describe the details.
- **Measurable.** You can measure the goal using either quantitative or qualitative assessments.
- **Achievable.** You can achieve the goal.
- **Realistic.** The goal is realistic given existing constraints, such as time and resources.
- **Time-limited.** You must achieve the goal within a specified time frame.

Activity: Is it SMART?

Good objectives are SMART—specific (detailed, well-defined), measurable (quantifiable), achievable (actionable), realistic (given available resources), and timebound. Can you spot the missing attributes?

Last year, Shannon's company entered the highly competitive market of offering paper shredding and data storage services to businesses. Shannon proposes the following objective for her sales team: "Within one year, increase our market share in the ten largest U.S. cities to 70% of the number of contracts awarded." Which of the following attributes is this objective missing?

☐ Specific

Not the best choice. This objective clearly defines a specific percentage goal and within which geographic territory this must be achieved.

☐ Realistic

Correct choice. Shannon's company has just entered an industry that requires significant infrastructure. Her organization will need to build or acquire storage facilities and to purchase mobile shredding units. Her company is unlikely to have the infrastructure necessary to win 70% of the U.S. market in one year.

☐ Timebound

Not the best choice. The objective establishes a one-year deadline.

Gerald's company, which sells flooring tiles in a large city, has three retail outlets. Currently, when customers cancel an order or return tiles, salespeople in the stores write down only informal notes about the transaction. Gerald wants his staff to start recording the customer satisfaction issues on a simple form, which they should submit to him every Monday morning. Gerald gives his staff the following objective: "Please complete these forms whenever a customer cancels an order or returns a product." Which of the following attributes is this objective missing?

☐ Measurable

Not the best choice. Gerald will be able to measure whether or not forms have been completed by comparing them to cash register receipts for canceled orders or returned products.

☐ Achievable

Not the best choice. Completing a form is well within the job description and abilities of sales staff.

☐ Specific

Correct choice. Gerald's objective does not state the recipient nor a deadline for completing the forms.

Jane's supervisor asks her to set some objectives for her operations staff. She creates the following objective: "Increase productivity over the next quarter." Which of the following attributes is this objective missing?

☐ Measurable

Correct choice. The objective is not defined in a way that can be measured. Measures are usually either financial or in units of output.

☐ Timebound

Not the best choice. The objective includes a deadline.

☐ Realistic

Not the best choice. It's likely that Jane's operations staff has resources with which to increase performance.

Quantitative versus qualitative goals

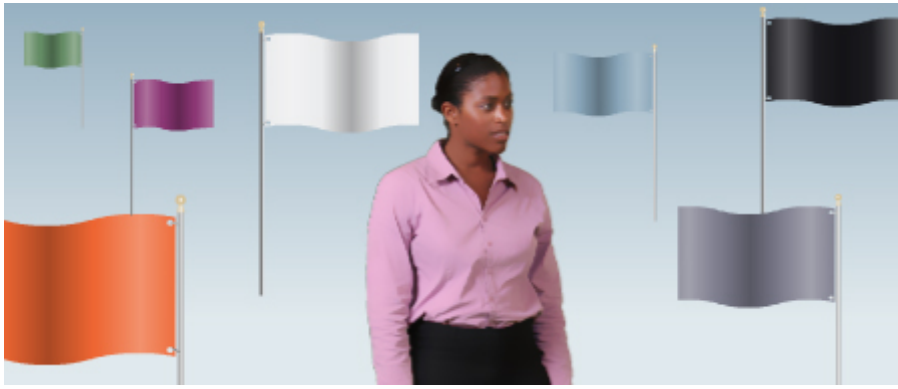
As you write down your goals, you will notice that many of them can be *quantitatively* measured. For example, your goal may be to increase sales in a region by 10% in the next quarter. This topic primarily focuses on these quantitative goals.

Some goals, however, are not so easily measured, such as goals related to professional development.

For example, an employee may want to increase her comfort level with speaking in a public forum. She may set a quantitative goal of making six public presentations in the upcoming year. But how can you assess if she actually is more comfortable speaking to large audiences after completing these six presentations? You might begin by scheduling a follow-up discussion with her after each presentation to evaluate how she felt and discuss possible improvements.

Achievement of these types of goals is more subjective, and therefore difficult to measure. However, don't shy away from establishing such *qualitative* goals even though they may be hard to evaluate. They are still important because they will challenge you to improve and can ultimately help you develop valuable skills.

Identify potential goals



You are surrounded by potential goals. In a typical day, you probably think about how your unit could operate more smoothly, what new responsibilities to take on, and how your staff could work better as a team. Each one of these areas could have associated goals. Your challenge is to sort through all of the potential goals you could pursue and identify those that will create the most value for your unit and your organization.

On a regular basis (usually once or twice a year for most organizations), review your unit's diverse activities and your team's roles. Look for opportunities to draft goals in areas that will make the greatest impact. Bring your team together to brainstorm possible goals by asking questions such as:

- What initiatives need to be accomplished to ensure success?
- What standards are we striving for?
- Where can productivity and efficiency be improved with the most impact?
- What benefits do we want to give to our customers?
- Are the required specifications for our products and services changing? How can we respond?

During this brainstorming phase, don't limit yourself by worrying about constraints or execution. Also, don't forget to examine goals that should be developed as a result of pressure from your customers or a changed organizational environment.

Prioritize and select goals

Once you have generated a list of possible goals, your next step is to narrow it down to the ones that you will pursue. Start by asking questions to help you distinguish high-priority goals from low-priority ones. For example, ask yourself which goals:

- Does your organization value the most?
- Do you find most interesting or challenging?
- Provide the most leverage for your team?
- Will have the greatest impact on performance and profitability

At this time you might also notice that some goal ideas overlap and can be consolidated into one larger goal.

Next, review your list of goals and use your criteria to rank them as A-, B-, or C-level priority. Add the ranking to the goal.

- **Priority A:** Those goals having high value and primary importance.
- **Priority B:** Those goals having medium value and secondary importance.
- **Priority C:** Those goals having little value and little importance.

Eliminate all Priority C Goals. Then, look again at your Priority B goals. Reassign them as either Priority A or Priority C—they are either worth your time or not. The goals that are now on your Priority A list are your top-priority goals.

Since resources are usually limited, you must prioritize what you will try to accomplish once again: As a last step, review your Priority A goals separately and rank them according to importance. Be careful not to let your short-term goals automatically take precedence over your long-term ones.

Finally, write down your final, ordered Priority A list. Periodically reassess your list to ensure that it continues to be consistent with your organization and unit priorities.

Key Idea: Clearly define the goals

Key Idea

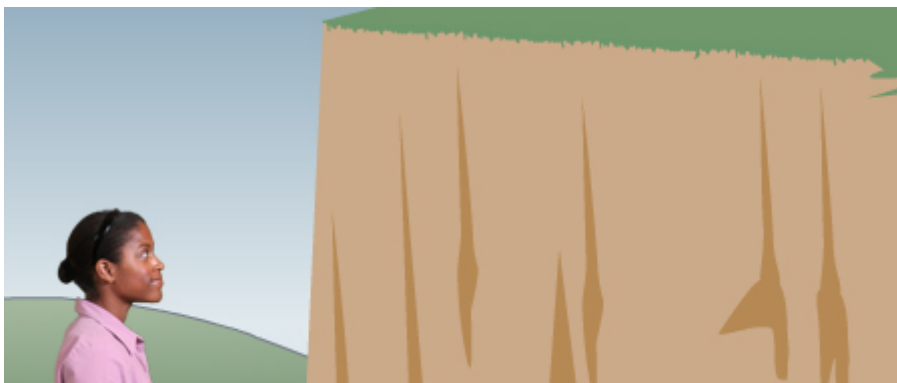
Each of your direct reports will need to establish individual goals that reflect the unit's overall goals. Your role is to support and assist them in this process. At the end of the goal-setting process, individual employees should be able to say (without prompting):

"Our company's goal is to _____. My department's contribution to that goal is to _____. And my part in this effort is to _____."

Make sure that all team members are clear as to unit goals, their specific roles, and your job expectations for them. Ask each person to use the SMART criteria to draft—or to modify—a set of goals for him- or herself. Together, you then need to negotiate the details on commitments to particular goals, including your role in supporting each goal's achievement. Remember to tie progress toward achieving goals to performance evaluation, develop clear descriptions of expected output, and confirm that everyone knows who is responsible and accountable for each goal's achievement.

Each member of your team needs individual goals that support group goals. How can you help your direct reports set these goals?

Strategies for success



Team members will be most likely to achieve their goals if the following conditions are in place:

- Each individual agrees with you on his or her specific goals and the output required.
- You establish clear checkpoints and designate time to provide feedback.
- Team members have the resources, appropriate skills and knowledge, and authority to accomplish their goals.
- Individuals understand how their efforts will impact team goals.
- Management recognizes and acknowledges when employees achieve their goals.

Set goals for yourself

As a manager, you also need to establish individual goals. These may include:

- Unit goals, or components of unit goals, that require your specific skills and that you therefore cannot delegate
- Goals that reflect your contributions to your team members' goals
- Goals that involve communicating your unit's activities throughout the broader organization, securing resources for your team, and integrating the unit's goals with those of other units

You may find that your role within your company warrants creating goals that are not specifically related to your unit.

For example, you may serve on a task force or assist in community-relations activities. Tying goals to these responsibilities will help ensure that you follow through with the commitments you have made.

Work with your manager to reach agreement on your goals, build a shared understanding of the expected outputs, and secure the support and training that you will need to be able to achieve them. In addition, make sure to communicate your goals to your team members. If they understand your priorities and how the team's activities fit into those priorities, it will help all of you work together more smoothly.

Activity: Assess your personal goals

What goals do you set in your personal life, and how consistently do you pursue them? Are you more ambitious or more relaxed? Disciplined, or free? Assess the goal-setting style you use in your personal life.

Answer each of the following ten questions "yes" or "no." Record your answer to each question manually as you go.

In my personal life...

1. When I see something I want, I'll wait to buy it if I don't have room for it in my budget.
2. I make appointments for annual physical checkups.
3. I have set exercise and weight goals for myself.
4. I give myself rewards for making goals.
5. I use SMART criteria to evaluate my personal goals.
6. I set annual savings goals, and I review my progress toward those goals.

7. I set short-term goals to measure my progress toward my long-term goals.
8. I don't set goals for myself that are too ambitious.
9. I easily achieve the goals I set for myself.
10. I think about what I want my life to be like in five years.

Tally your score, giving yourself one point for each "yes" answer, and select it from the options below.

☐ 0-3

Have you considered that setting goals might help you attain more of the things you want to accomplish in your personal life? To achieve personal goals, you first have to set ones that are challenging and motivating. Evaluate your goals by SMART criteria, just as you do at work. Measure your progress, and be sure to reward yourself when you achieve your goals.

☐ 4-7

You already use goal-setting to your advantage in your personal life, but you may need to focus on being consistent and measuring your progress. To achieve personal goals, you first have to set ones that are challenging and motivating. Evaluate your goals by SMART criteria, just as you do at work. Be sure to reward yourself when you achieve your goals.

☐ 8-10

You supercharge your personal life through goal-setting. You know that to achieve your goals, you first have to set ones that are challenging and motivating. You can evaluate your personal goals by SMART criteria, just as you do at work. Measure your progress, and be sure to reward yourself when you achieve your goals.

Activity: Assess your goals at work

Assess how effectively you set goals for your career. Do your goals accurately reflect your priorities? How consistent are you in pursuing them?

Answer each of the following eight questions "yes" or "no." Record your answer to each question manually as you go.

In my work life...

1. I set stretch goals for myself. These are in addition to goals set by my boss.
2. Every morning I look at what I need to do that day and set priorities.
3. I use my group's and unit's strategic objectives to help set my own goals.
4. I check my work goals to ensure they meet SMART criteria.

5. I have both quantitative and qualitative goals for myself at work.
6. I set short-term goals to measure my progress toward my six-month or annual goals.
7. I perceive my goals at work as being important and worthy of my effort.
8. I don't make excuses when I fail to make my work goals.

Tally your score, giving yourself one point for each "yes" answer, and select it from the options below.

☐ 0-2

You are poised to benefit from increasing your goal-setting acumen at work. Work goals, like personal goals, need to be challenging and motivating. Try to set stretch goals for career development. Take responsibility for ensuring that your work goals meet SMART criteria. And then, as with any goals, measure your progress toward your goal and evaluate reasons for your success or failure in meeting the goal. Learn from each experience as you set new goals.

☐ 3-5

You know how to set goals for yourself at work, but there is still room for improvement in your goal-setting skills. It's possible that you are not sufficiently challenged and motivated by your goals. Try to set stretch goals for career development. Take responsibility for ensuring that your work goals meet SMART criteria. And then, as with any goals, measure your progress toward your goal and evaluate reasons for your success or failure in meeting the goal. Learn from each experience as you set new goals.

☐ 6-8

You employ a highly-effective goal-setting style at work. As you continue to stretch your abilities by setting challenging and motivating goals, ensure that your goals meet SMART criteria. Don't forget to evaluate reasons for your success or failure in meeting goals. Learn from each experience as you set new goals, and seek opportunities to mentor your subordinates and colleagues so that they can benefit from your goal-setting acumen.

Establish a sense of ownership



You and your employees must see your goals as important and worthy of effort; otherwise, you will lose your motivation when you hit obstacles. One way to achieve this sense of commitment is to involve your employees in setting goals and determining how to achieve them. This gives employees a sense of ownership—and will help them hold each other accountable for the end result.

Begin by discussing corporate goals and how your unit can help realize them. Explain why you are selecting challenging goals and why achieving them is so important for both the organization and your team. Make sure people see a personal benefit. This approach will build awareness of how your goals align with organizational strategy and demonstrate to employees the importance of what you are asking them to do.

Leadership Insight: Collaborative goals

Goal setting is not a solo activity. Goal setting can only be as good as your network of relationships. If you're not talking to the right people, you will not have the right information about your company or the competitive environment to set the right goals, and to adapt those goals as necessary in a very dynamic and complex business environment. A manager who understood this very well was Taran Swann.

Taran was the startup manager for Nickelodeon Latin America. When she went into that role, she understood that they could not afford to make many missteps because, frankly, the company was rather skeptical about whether their operations would work in Latin America.

So she felt it was important that the whole company operate like a crabwalk — her whole company that she had in Latin America, that is. To do that she wanted to make sure that they collaborated. So when everyone was setting their goals for their particular function or their particular area, she always encouraged them to make sure they thought through how what they were doing was going to impact others.

She thought that they needed to really work like a crab walking across the beach; they really needed to be able to do a crabwalk. So she was constantly asking people, "Ray, have you checked to see how that's going to affect Valerie? Valerie, have you spent any time asking Stephanie what that will mean to her operation?"

Taran held herself to the same standard. So when she was developing goals for the groups and adapting them — and that had to be done frequently because all kinds of things were happening in various countries in their region — she found herself setting up a "cc:" list of peers and superiors to whom she sent the list of goals and their progress on the goals, so she could get feedback and keep them informed about what she was doing.

She did this because she knew she had to make a number of very bold moves and use up valuable resources in the organization. She felt it was important in that she really establish transparency with all the relevant parties so that they would understand what she was up to and would trust her.

She also really depended on and thought it was very important to get their collective thinking about the difficult judgment calls she was making. So she held a quarterly meeting in which she invited a subset of these individuals to come and meet with her and her team and go over where they were and what the new goals were going to be. Because, again, they were being adjusted continually, because when business plans hit reality, you discover that things are quite different.

Some people worried that she was over-communicating or that she looked like she was indecisive. Taran didn't worry too much about that; and in the end, Nickelodeon Latin America was very successful. And in fact, she became a person who was known as having a reputation for being a team player, for being a very clear thinker, and also for delivering on her goals, even in very trying circumstances.

When an organization is struggling to get its footing, collaboration is the key to meeting goals.

Linda A. Hill
Professor, Harvard Business School

Linda A. Hill is the Wallace Brett Donham Professor of Business Administration at Harvard Business School. She is the faculty chair of the Leadership Initiative and has chaired numerous HBS Executive Education programs, including the Young Presidents' Organization Presidents' Seminar and the High Potentials Leadership Program.

She is a former faculty chair of the Organizational Behavior unit. Linda was course head during the development of the new Leadership and Organizational Behavior MBA required course.

She is the author of many articles and titles including "Becoming a Manager: How New Managers Master the Challenges of Leadership." Linda has authored many articles for Harvard Business Review and is a contributor to the Harvard Business School Publishing series on "Managing Up," "Hiring," and "Becoming a New Manager."

Professor Hill's consulting and executive education activities have been in the areas of managing change, managing cross-organizational relationships, implementing global strategy, innovation, talent management, and leadership development.

Organizations with which she has worked include General Electric, Reed Elsevier, and IBM. She completed a postdoctoral research fellowship at Harvard Business School.

Linda received her Bachelor of Arts in psychology from Bryn Mawr College, and both her Master of Arts in educational psychology and doctorate in behavioral sciences from the University of Chicago.

Set achievable, but challenging goals

If your goals are too ambitious, you risk the embarrassment of not accomplishing them—and potentially much more serious repercussions such as having to reduce an employee's bonus for missing a target. Your team members are also likely to resent you if you set goals that are not achievable.

At the same time, you don't want to aim too low, either. If you are overly cautious, you will miss opportunities and settle for mediocrity. Starting with focused goals that you can later expand into larger ones may help you achieve the right balance.

Focus your energy on specific targets

“ The world makes way for the man who knows where he is going. ”
–Ralph Waldo Emerson

Starting with small, specific goals is also a way to motivate your team and keep it on track. Many managers try to do too much too quickly and fail to focus on one or two sharply defined targets. It is nearly impossible to succeed when you establish vague or overly broad goals.

Consider the example of a management team at a newspaper publishing plant that tried to institute a comprehensive quality-improvement effort. The team accomplished very little because the company's needs were so great and employees were focused in many different directions.

After this failed attempt, the team then worked with production managers to target a specific, achievable goal. They aimed to reduce the number of typographical errors in the company's products. With this clear focus, they ultimately succeeded. They were then able to repeat the process they used and apply it in identifying and accomplishing additional goals.

Establish performance metrics

Another problem with stating a goal in vague terms such as "we will reorganize our systems to make the customer our top priority" is that at evaluation time, it is difficult to say whether this goal has been met. A better way to state the same goal would be to say:

"We will redesign the entire customer service process. If we are successful, 95% of customer calls will be handled by a single service rep, and 80% of all calls will be resolved in three minutes or less."

Performance metrics are important, but be careful not to get too caught up in evaluating your employees exclusively on these metrics.

For example, if operators are judged only on whether their calls last three minutes or less, you may be encouraging them to provide quick answers that aren't in the customer's best interests.

Explicitly assign responsibility



Once you and your employees agree on a set of measurable goals, make it clear who is responsible for each component. When responsibility for results is not explicitly assigned, employees often "delegate"

it upward, especially when a manager is also involved in the project.

Consider the president of a company whose customers were complaining about bugs in its new software product. She set a goal of eliminating 90% of the bugs in the following quarter. She met with the heads of the development, design, and quality assurance departments, and each claimed that his group was doing its job and that the quality problems originated in a different department. After spending many hours talking with these managers, the president was not successful in making changes in any of the departments. She knew that without a change, the next release of the product would still have a significant number of bugs.

The turnaround came when she told her department heads that she thought it was unwise for her to try to come up with a solution to the quality issue by herself. Instead, she gave her direct reports the full responsibility for reducing the bugs. She assigned to one executive the responsibility for developing a comprehensive plan to achieve the necessary quality improvements. She then requested that each of the other managers produce a plan with a timetable for his unit's contribution toward achieving the goal. Using these plans, the department heads were successful in reducing the number of bugs in the subsequent product release.

Assigning responsibility for a clear set of measurable goals will help you succeed when it comes time to implement them.

Break goals into tasks



Making your goals a reality involves breaking them down into actual tasks, planning the execution of the tasks, and following your plan. Use the following process for achieving unit goals:

- Identify your key unit goals.
- Ask, "What specific tasks will have to be done in order to accomplish each goal?"
- Determine which tasks need to be completed sequentially and put those in order. If there are tasks that can be completed simultaneously, incorporate them into your plan accordingly.
- For each key task, describe measurable results or outcomes.
- Determine what resources (money, people) are needed to carry out each task.
- Establish a time frame for the completion of each task. Include a start and finish date.
- Set up milestones along the way to review project completion and overall impact. Make sure to include what you expect to achieve by each milestone.

You and your team members can use this same process to pursue individual-level goals.

Key Idea: Manage obstacles

Key Idea

Anticipating obstacles will help prevent them from disrupting your progress toward your goals.

Before you begin executing plans toward a goal, consider the potential obstacles that might confront each goal and its associated projects. Then, map out possible solutions for each obstacle. Some of the following strategies may be helpful:

- If your team members are having trouble completing their tasks, perhaps they are losing their motivation to achieve one or more goals. Examine the payoff and remind yourself and your team why all of you are dedicated to the goal(s).
- Line up your resources before committing to a goal. Make sure you have committed people in place so staffing gaps will not become an obstacle.
- If you find you are paralyzed by the risks associated with a goal, evaluate the probability that the risks will occur. List the benefits of taking the risks and succeeding.

If a task seems overwhelming, break it down into smaller tasks. From the outset, keep in mind that the goal process has natural stops and starts. There are also periods when the tasks become difficult or tedious. Always focus on the payoffs.

A number of obstacles may stand between you and your goal. What are the ways to overcome them?

Monitor goal achievement

“Obstacles are those frightful things you see when you take your eyes off the goal”
–Henry Ford

It is important that you always know whether your pursuit of your goals is on track.

For example, do you know if your sales team is ahead or behind schedule? Is the Web site task force moving forward according to plan, or is it stuck on some technical problem?

This knowledge allows you to constantly modify tasks, contingency plans, and follow-up criteria. You or a project manager reporting to you must:

- Update everyone involved as you make progress toward each goal
- Review the upcoming projects and required resources
- Check off completed projects as you reach milestones
- Revise completion dates, when necessary
- Record actual completion dates for future reference if you change the dates originally committed to. Review the impact on later tasks, and adjust those accordingly

Key Idea: Reach your goals

Key Idea

These strategies can help maximize the odds that you will reach your goals:

- Share your goals with colleagues and friends. In addition to being supportive, they may have ideas on how to accomplish them.
- Create goals that are compatible with one another. Conflicting goals compete for your attention.
- Work with goals that will give you and others the greatest sense of accomplishment.
- Spend priority time on completing the tasks that relate to your most important goals.
- Be persistent about working toward your goals. Remind yourself of the payoff when you hit snags.
- Be flexible about how you accomplish your goals. When you revise your unit's project list to reflect changes in your situation, you increase your chances of achieving your aim.
- Don't be afraid to ask for help from upper management, direct reports, or other stakeholders.
- Finally, when you have achieved a goal, take the time to celebrate with your team. Be sure to reward yourself and your team members appropriately.

Reaching your goals usually isn't easy. What strategies will help keep you on the right path?

Leadership Insight: Culture of achievement

When I was a kid, my grandfather always used to encourage me to do well in my studies. He used to tell me stories of great leaders and achievers, and he always wanted me to aim for the highest and try to be the best.

Now I used to do well in school. I used to be in the top three, and I used to be pretty satisfied. But he used to be extremely disappointed if I didn't come first. He used to make a plan for me to make sure that I come first next time. That is, he used to tutor me, analyze why I didn't come first, guide me, and provide me the advice such that, next time, I'd succeed.

It used to be a bit annoying, because I used to be pretty content. But just to get him off my back, I started achieving. I started coming first. And achievement became a habit. And over time, I also became smarter, in the sense I kind of knew what he was expecting and I used to deliver, even without him insisting.

Now this story is of great relevance to me because I continuously apply it at work. That is, I set tough goals to all the people who report to me, and I continuously encourage them so that they achieve the goals. And if they don't achieve, just like my grandfather used to do to me, I make a plan, work with them, continuously monitor their activities, such that they achieve the goal next time.

Just like I used to get annoyed, my employees also get annoyed when I'm continuously on their backs. But over time, achievement becomes a habit. They learned the tricks in such a way that I'm off their backs. And the only way I'm off their backs is if they achieve.

And as a result, they started achieving tough goals, and that actually gave me reason to set even higher goals. And now I know that the culture of achievement has been created, I really don't have to do much. Just raise the bar, and the achievers keep on achieving. That leads to greater productivity.

Set ambitious goals and encourage employees to achieve them, and then set the bar even higher.

Srikanth Kommu

Director of Research and Development, MEMC Electronic Materials, Inc.

Srikanth Kommu has served as Director of Research and Development at MEMC Electronic Materials, Inc., since 2005. MEMC is a global leader in the manufacture and sale of wafers and related intermediate products to the semiconductor and solar industries. The wafers manufactured by MEMC are the foundation upon which the world's semiconductors and solar cells are built.

He was previously a Senior Engineer in the Logic Technology Development Division at Intel. He received his Bachelor of Science in chemical engineering at Banaras Hindu University's Institute of Technology and both his Master of Science and doctorate degrees in chemical engineering from Washington University in St. Louis. In 2009, Srikanth completed the General Management Program at Harvard Business School.

How do I evaluate a goal while working toward it?



As you work toward your goals, take the time to step back periodically and review them.

- Are they still realistic?
- Are they timely?
- Are they still relevant?

You should consider very carefully before modifying a goal midstream. Changing goals abruptly can create confusion. If the organizational or external environment has changed and reaching the goal will no longer create value, it is certainly appropriate and indeed important that you adapt. On the other hand, you should not alter goals in reaction to obstacles such as personnel changes or schedule slippage. When you do need to change a goal, make sure to get buy-in from your team, upper management, and other key stakeholders before proceeding.

How do I evaluate a goal after I've achieved it?

Reaching your goal is not the end of the process. You need to evaluate the goal's impact, and whether you might be able to accomplish similar goals more effectively in the future.

- Confirm that others agree that the goal was accomplished and the expected impact was achieved.
- Examine how the goal was achieved.
- Identify what was successful and what you would change in the future. Record both.
- Evaluate the payoff. If the payoff did not meet your expectations, determine whether you overestimated the goal's impact.
- Communicate your evaluation of the goal to everyone involved.
- Identify issues you need to address next time.

Key Idea: Lessons learned

Key Idea

Identifying lessons learned is one of the most important aspects of the goal evaluation process. Once you internalize these lessons, you can begin to apply them as you develop new goals or adapt existing ones.

- If a goal was too easily achieved, make future goals more challenging.
- If a goal took too much effort, make new goals a little easier.
- If a goal was unrealistic, make sure that new goals better reflect organizational realities and time constraints.
- If you noticed a skill deficit while pursuing a goal, make attaining those skills a goal for the future.
- If team members lost motivation, make sure that new goals are viewed as valuable and that you communicate the value.

Evaluating and learning from your achievements and failures will help you be more successful in the pursuit of future goals.

Every achieved goal provides lessons for how to achieve the next. How can you ensure that your team learns from experience?

Activity: Identify the lessons

An important part of the goal evaluation process is to identify—and act on—lessons learned. Can you spot the lessons to be learned?

Rhana's boss asks her to teach Alex, a new employee, how to use a software tool for project management. To measure her achievement of this goal, Rhana, an expert in the tool, defined a metric: to meet with Alex weekly for three months. After three months (and fifteen meetings with Rhana), however, Alex was still making critical errors when using the software. Which of the following statements is true?

- ☐ Rhana has achieved her goal.

Not the best choice. While Rhana fulfilled the narrow metric she had set (number of meetings), Alex's performance indicates that the broader goal of teaching him the

software has not been achieved.

- ☐ The metric Rhana selected is not the best measure of progress toward the defined goal.

Correct choice. Because the goal is instructional in nature, more relevant metrics might specify the topics to cover at each meeting; exercises to be assigned to Alex between sessions; or a results-based metric such as reducing errors by a certain percentage per week of training.

- ☐ Rhana cannot achieve this goal.

Not the best choice. Although all experts may not be natural teachers, it is premature to arrive at this conclusion. Rhana may simply be using the wrong approach to the training.

Last year, Randy's boss challenged Randy's team not only to cut costs by 10% but also to finish its current project three months early. Randy's team cut costs by 15% but was unable to finish its project early. Randy is meeting with his boss and his team to review the final results. Which of the following statements is true?

- ☐ No celebrations are in order for this team. After all, the team members failed to meet one of their goals.

Not the best choice. Cutting costs by 15%—5% more than the goal—while still finishing a project on time is a significant achievement in any organization.

- ☐ The goals that Randy's boss set were not compatible with each other.

Not the best choice. It is possible that the team would have been able to achieve both goals.

- ☐ Randy's team exceeded one goal to the detriment of the other.

Correct choice. The team likely could have completed the project more quickly by spending additional resources.

Wei has set a developmental goal to develop the skills he would need to lead complex projects. In particular, he aspires to the leadership role on a highly visible cross-functional team, which will start work in three months. He has spent extra time to get to know stakeholders in other organizations, and he seeks out an experienced team leader as a mentor. His boss, however, selects Karen as the team leader for the new initiative. Which of the following statements is true?

- ☐ Wei's boss does not have confidence in his abilities.

Not the best choice. As with all organizational decisions, Wei's boss probably weighed many different factors in making his decision. Wei's best strategy is to let his boss know that he would be interested in leading similar initiatives in the future and asking what skills he should focus on developing.

- ☐ Wei prioritized his goal sufficiently to achieve it, regardless of his other responsibilities.

Correct choice. Wei does seem to have prioritized his goal by seeking out a mentoring relationship and building his network of contacts.

- ☐ There is no reason for Wei to continue developing his cross-functional network.
Not the best choice. His network will be a valuable asset as he continues to pursue his goal.

Overview

This section provides interactive exercises so you can practice what you've learned. These exercises are self-checks only; your answers will not be used to evaluate your performance in the topic.

Scenario

Assume the role of a manager in a fictional situation and explore different outcomes based on your choices (5-10 minutes).

Check Your Knowledge

Assess your understanding of key points by completing a 10-question quiz (10 minutes).

Scenario: Part 1

Part 1

Don heads the Customer Service group within the Customer Relations unit. After completing performance appraisals for his direct reports, he meets with the group. He's pleased that they have reduced the average length of a customer service call. He urges them to continue this effort—while maintaining quality and covering all the points in their telephone scripts. Don informs the group that the Customer Relations unit is being reorganized; as a result, they will be getting three new associates.

The next day, one of Don's direct reports, Martin, asks Don to review his goals for the coming year. They are:

1. **Continue to reduce the length of his calls**, with a goal of a 5% reduction.
2. **Review his completed calls** against the telephone script checklist.
3. **Continue to train new customer service associates** as needed.

How should Don respond to Martin?

- Tell Martin that the goals are "right on" and align well with what he said

Not the best choice.

Martin's goals are a good start and do align well with Don's thinking. But Don has not yet clarified the overarching unit's goals and priorities. For a group working closely together, with common objectives, it's important to align individual goals with the larger unit goals. In turn, the unit goals should align with the organizational strategy and direction.

- Ask Martin to make his training goal more specific—in light of the reorganization

Not the best choice.

Don may eventually ask Martin to make his training goal more specific. But Don needs to first meet with his supervisor and other managers to clarify the overarching unit goals. Then he can communicate the unit goals to his group. Once the group understands the unit goals, they can write individual goals that support the larger goals.

- Tell Martin he first needs to meet to discuss the unit's goals

Correct choice.

Before defining individual goals for his direct reports, Don needs to clarify the overarching unit goals. The unit has just reorganized. What does the unit as a whole want to accomplish in the coming year? Which of these objectives are most important? How can individual goals reflect and support the larger unit goals?

Scenario: Part 2

Part 2

Don meets with his supervisor and other managers to establish their unit goals for the coming year. They decide that the reorganized unit's most important goal is to facilitate the reorganization effort. Without a smooth transition, other unit goals may be at risk. The purpose of the consolidation is to enhance the unit's overall productivity.

In the past, the groups within the unit have worked independently, developing their own procedures. During the coming months, a task force will unify procedures across the unit. Don assigns a team member, Dana, to represent their group on this task force.

With the unit goals clarified, Don asks Martin to make training his top priority.

Martin rewrites his top goal to read:

Train our three new associates. Review customer service scripts with them. Sit in with them on initial calls. Be available for questions.

How should Don respond to Martin's revised goal?

- Tell Martin that the goal needs to be more specific

Not the best choice.

Martin's goal is fairly specific; it includes the various tasks that Martin will perform. However, the goal does not have a time frame or a way to measure progress. Good goals are "SMART": specific, measurable, achievable, realistic, and time bound.

- Tell Martin that the goal needs to be more measurable

Correct choice.

Martin's goal does not include a way to measure progress or specify a time frame. For example, how much time each day should Martin devote to training the new customer service associates? By when should Martin have completed the training? And what constitutes completion? In order to evaluate whether a goal has been successfully achieved, there must be a way to measure progress and completion.

- Tell Martin that the goal needs to be more realistic

Not the best choice.

Without a specific time frame and a way to measure progress, it's not possible to say whether Martin's goal is realistic—or even achievable. Effective goals should be realistic and achievable—yet be challenging and provide room for growth.

Scenario: Part 3

Part 3

Don and Martin agree that he will devote mornings to training new associates, with the goal of completing the training in one month—by which time the new associates should be able to pass the customer service script test. To free up Martin's time, Don temporarily shifts his morning telephone hours to others in the group.

In two weeks, Martin tells Don that he doesn't think he can complete the training in one month. He estimates that it will take him two additional weeks. Offloading his work to other associates has helped, but it hasn't been enough. The other associates can't absorb all his calls, so Martin is on the phone more than he had planned—and has less time for training than he expected.

What should Don do about Martin's situation?

- See if Dana, the associate assigned to the task force, can help out during the mornings for two weeks

Correct choice.

Getting experienced part-time help is a good solution—if the task force is flexible and willing. Dana already has the necessary skills. The task force is scheduled to unify standards over the coming months. Assigning Dana to take calls during the mornings for two weeks wouldn't appear to put the task force work at risk.

- Push the training completion date out by the two weeks Martin estimates he would need

Not the best choice.

Facilitating and expediting the reorganization transition is the unit's most important goal. Pushing the training completion date out would not align well with this urgent unit goal.

- Check whether any other obstacles might prevent Martin from meeting the goal

Good choice.

Managing obstacles is part of a Don's role in supporting his group's effort to meet their goals. *Anticipating* obstacles is even better. Assigning Martin's work to the others was probably overly optimistic. Don might have anticipated that the other associates wouldn't be able to handle Martin's calls in addition to their own. Don should continue to monitor progress of this and other goals. Unforeseen events, such as the loss of an employee or unexpected budget cuts, can quickly turn a realistic goal into one that is not achievable.

Scenario: Conclusion

Conclusion

The task force agrees that Dana can help out during the mornings for two weeks. The combined resources free up Martin to concentrate solely on training. He quickly makes up lost time, successfully trains all the new associates, and meets his goal. Don's support came late, but in time.

Don clarified the overarching unit goals before defining individual goals. He made sure that the goals were "SMART": specific, measurable, achievable, realistic, and time bound. He then lent his support to help direct reports meet their goals.

Activity: Check Your Knowledge: Question 1

In terms of importance, goals generally fall into one of three categories: critical, enabling, or nice to have. What is a key difference between a critical goal and an enabling goal?

- A critical goal must be accomplished in order for your unit to continue to run successfully. An enabling goal may not be essential, but it creates a more desirable long-term business situation or takes advantage of a new opportunity.

Correct choice.

Critical goals are those that are crucial to your operation; they must be accomplished for your unit to continue running successfully. Enabling goals, on the other hand, create a more desirable business condition or take advantage of a business opportunity. They are important, but they fill a long-term rather than a critical need. An example of a critical goal is ensuring that order-processing technology works correctly. An example of an enabling goal is deciding to capitalize on a new fad to increase sales of a product.

- A critical goal is a short-term goal that has emerged unexpectedly and overrides other activities. An enabling goal is created to resolve issues raised by the critical goal.

Not the best choice.

Critical goals do not necessarily emerge unexpectedly, and enabling goals aren't related to critical goals. The correct response is "A critical goal must be accomplished in order for your unit to continue to run successfully. An enabling goal may not be essential but it creates a more desirable long-term business situation or takes advantage of a new opportunity."

An example of a critical goal is ensuring that order-processing technology works correctly. An example of an enabling goal is deciding to capitalize on a new fad to increase sales of a product.

- A critical goal is a short-term goal that reflects the organization's mission and strategy. An enabling goal is a long-term goal originating from your business unit.

Not the best choice.

Critical goals reflect your unit's needs, not the organization's mission and strategy, and enabling goals may be inspired by events outside your business unit. The correct response is "A critical goal must be accomplished in order for your unit to continue to run successfully. An enabling goal may not be essential but it creates a more desirable long-term business situation or takes advantage of a business opportunity."

An example of a critical goal is ensuring that order-processing technology works correctly. An example of an enabling goal is deciding to capitalize on a new fad to increase sales of a product.

Check Your Knowledge: Question 2

What are the two most common methods for goal setting?

- **Brainstorming and directive**

Not the best choice.

Brainstorming is not a technique for setting goals, and directive has no meaning in this context. The correct answer is "Top-down and bottom-up."

In top-down goal setting, unit management sets broad goals, and each direct report sets goals to support those of the unit. In bottom-up goal setting, direct reports develop individual goals, and their manager integrates them into broader goals.

- **Top-down and bottom-up**

Correct choice.

In top-down goal setting, unit management sets broad goals, and each direct report sets goals that support those of the unit. In bottom-up goal setting, direct reports develop individual goals, and their manager integrates them into broader goals.

- **SMART and SPIN**

Not the best choice.

SMART is an acronym representing criteria for defining clear goals and is not related to goal setting, while SPIN has no meaning in this context. The correct answer is "Top-down and bottom-up."

In top-down goal setting, unit management sets broad goals, and each direct report sets goals to support those of the unit. In bottom-up goal setting, direct reports develop individual goals, and their manager integrates them into broader goals.

Check Your Knowledge: Question 3

How frequently should you set goals for your unit?

- **Monthly**

Not the best choice.

Setting unit goals monthly is too frequent. For most organizations, it is recommended that you and your team set unit goals once or twice a year. Your challenge during this process is to sort through all of the potential goals that you could pursue, and identify those that will create the most value for your organization.

- **Quarterly**

Not the best choice.

Setting unit goals quarterly is too frequent. For most organizations, it is recommended that you and your team set unit goals once or twice a year. Your challenge during this process is to sort through all of the potential goals that you could pursue, and identify those that will create the most value for your organization.

- Once or twice a year

Correct choice.

For most organizations, it is recommended that you and your team set unit goals once or twice a year. Your challenge during this process is to sort through all of the potential goals that you could pursue, and identify those that will create the most value for your organization.

Check Your Knowledge: Question 4

To prioritize and select goals, you first assign your goals a ranking: an A (high value and importance), B (medium value and importance), or C (little value and importance). What should you do next with your B-level goals?

- Rate each of them as A, B, or C and prioritize them accordingly

Not the best choice.

Revising your B-level goals' rating as A, B, or C overcomplicates the process. The suggested next step is to break all B goals into A (worth your time) or C (not worth your time), and eliminate the C's. Your list will now contain only top-priority goals.

- Determine whether they are short- or long-term goals

Not the best choice.

Determining whether goals are short or long term is not part of prioritizing and selecting your goals. The suggested next step is to break all B goals into A (worth your time) or C (not worth your time), and eliminate the C's. Your list will now contain only top-priority goals.

- Break B-level goals into A goals or C goals, and eliminate the C's

Correct choice.

While it makes sense to assign B-level headings on your first time through the list, the suggested next step is to break all B goals into A (worth your time) or C (not worth your time). Your list will now contain only top-priority goals.

Check Your Knowledge: Question 5

You're developing a plan that will help your unit achieve its key goals. What is your *first* step?

- Determine what resources are needed to achieve your goals

Not the best choice.

While you'll eventually need to determine required resources, this isn't the first step you should take in developing your plan. Instead, you should decide what specific tasks will have to be done

in order to accomplish each goal. This action sets you on the path toward achieving those goals. Some tasks you identify may need to be completed sequentially, so your next step will be to place the tasks you identify in order. Remember: If a task seems overwhelming, you can always break it into smaller parts.

- Establish a time frame for the completion of your goals

Not the best choice.

While you'll eventually need to establish a time frame for completing your goals, this isn't the first step you should take in developing your plan. Instead, you should decide what specific tasks will have to be done in order to accomplish each goal. This action sets you on the path toward achieving those goals. Some tasks you identify may need to be completed sequentially, so your next step will be to place the tasks you identify in order. Remember: If a task seems overwhelming, you can always break it into smaller parts.

- Determine what specific tasks will have to be done in order to accomplish each goal

Correct choice.

Asking "what specific tasks do we have to complete in order to accomplish each of our unit goals?" is the first step toward achieving those goals. Some tasks you identify may need to be completed sequentially, so your next step will be to place the tasks you identify in order. Remember: If a task seems overwhelming, you can always break it into smaller parts.

Check Your Knowledge: Question 6

How many of your own goals as a manager should be related to your unit?

- All of them

Not the best choice.

Not all of your goals would necessarily be related to your unit. The correct answer is, "Many of them, but not all." While the majority of your goals will likely be tied directly to unit goals, components of unit goals, or goals that reflect your contribution to team members' goals, you may also have some goals that are not specifically related to your unit. For example, you may want to serve on a task force to revamp companywide health benefits, even though that activity is not directly connected to the work done by your unit.

- None of them

Not the best choice.

Some of your goals should be related to your unit. The correct answer is, "Many of them, but not all." The majority of your goals will likely be tied directly to unit goals, components of unit goals, or goals that reflect your contribution to team members' goals. However, you may also have some goals that are not specifically related to your unit. For example, you may want to serve on a task force to revamp companywide health benefits, even though that activity is not directly connected to the work done by your unit.

- Many of them, but not all

Correct choice.

While the majority of your goals will likely be tied directly to unit goals, components of unit goals, or goals that reflect your contribution to team members' goals, you may also have some goals that are not specifically related to your unit. For example, you may want to serve on a task force to revamp companywide health benefits, even though that activity is not directly connected to the work done by your unit.

Check Your Knowledge: Question 7

The research and development team has set a goal of making the company's software product easier to update. In the middle of its implementation, the lead programmer leaves to take a job at another firm. Which of the following should the team do *first*?

- Stop work on the project until a new programmer comes on board

Not the best choice.

It is important not to suspend or alter goals too quickly in reaction to obstacles such as personnel changes. Instead, your team should first assess whether the project is still realistic. In this case, the programmer's departure may make this goal unrealistic for now.

- Reassign the programmer's task and continue working on the project as planned

Not the best choice.

Because the lead programmer played a major role in the project, continuing work as planned could put the project at risk. Instead, your team should first assess whether the project is still realistic. In this case, the programmer's departure may make this goal unrealistic for now.

- Assess whether the project is still realistic

Correct choice.

It is important to periodically assess whether your goals are still realistic, timely, and relevant. In this case, the programmer's departure may make this goal unrealistic for now. However, it is important not to alter goals too quickly in reaction to obstacles such as personnel changes or schedule slippage. Before you modify a goal midstream, carefully consider the effects of the change.

Check Your Knowledge: Question 8

Reaching your goal is not the end of the process. What is?

- Celebrating the accomplishment

Not the best choice.

Though you may eventually want to celebrate the accomplishment of a goal, celebration is not the end of the process—evaluating the goal's impact is. After reaching a goal, you need to assess the goal's impact as well as consider whether you might be able to accomplish similar goals more effectively in the future. Spending some time identifying what was successful and what was not will likely make your goal setting more productive the next time.

- Evaluating the goal's impact

Correct choice.

After reaching a goal, you need to evaluate the goal's impact as well as consider whether you might be able to accomplish similar goals more effectively in the future. Spending some time identifying what was successful and what was not will likely make your goal setting more productive the next time.

- Creating a paper-trail of the process used to reach the goal

Not the best choice.

Though you may eventually want to create a paper-trail of the process used to reach the goal, this is not the end of the process—evaluating the goal's impact is. After reaching a goal, you need to assess the goal's impact as well as consider whether you might be able to accomplish similar goals more effectively in the future. Spending some time identifying what was successful and what was not will likely make your goal setting more productive the next time.

Check Your Knowledge: Question 9

What is the best advice you can give a new manager who is trying to help set goals for her unit?

- Aim low—it is better to achieve your goals than it is to challenge your team too much

Not the best choice.

If you set your goals too low, you will miss opportunities and find yourself settling for mediocrity. Instead, you should start small—by defining several small targets rather than one or more broad ones. Starting with small, specific goals is a good way to both motivate your team and keep it on track.

- Start small—it is better to define several small targets than one or more broad ones

Correct choice.

Starting with small, specific goals is a good way to both motivate your team and keep it on track. Many managers try to do too much too quickly and fail to focus on one or two sharply defined targets. It is nearly impossible to succeed when you establish vague or overly broad goals.

- Set ambitious goals that push your team to its limits—failing to achieve goals is fine as long as your team learns from the experience

Not the best choice.

If your goals are too ambitious, you risk causing your team to feel embarrassment and resentment if they can't accomplish them. Instead, you should start small—by defining several small targets rather than one or more broad ones. Starting with small, specific goals is a good way to both motivate your team and keep it on track.

Check Your Knowledge: Question 10

"SMART" is an acronym representing criteria for expressing goals in clear terms. What does the "A" stand for?

- [Applicable](#)

Not the best choice.

The "A" in the acronym "SMART" does not stand for "Applicable"; it stands for "Achievable." A well-defined goal must be achievable—not too ambitious and not too easy to reach.

The other letters in the acronym stand for *Specific*, *Measurable*, *Realistic*, and *Time-limited*.

- [Accurate](#)

Not the best choice.

The "A" in the acronym "SMART" does not stand for "Accurate"; it stands for "Achievable." A well-defined goal must be achievable—not too ambitious and not too easy to reach.

The other letters in the acronym stand for *Specific*, *Measurable*, *Realistic*, and *Time-limited*.

- [Achievable](#)

Correct choice.

In addition to being *Specific*, *Measurable*, *Realistic*, and *Time-limited*, a goal needs to be Achievable—not too high, and not too low.

Check Your Knowledge: Results

Your score:

Steps for identifying and prioritizing goals

1. **Once or twice a year, review your unit's diverse activities and your team's roles, looking for possible high-value goals.** Include relevant customers, team members, and your manager in the goal-setting process.
2. **Identify criteria for prioritizing your goals.** For example, which goals will contribute the most to revenue growth?

3. **Review your list of goals and use your criteria to rank them as A-, B-, or C-level priority. Add the ranking to the goal.**
 - Priority A: Those goals having high value and primary importance.
 - Priority B: Those goals having medium value and secondary importance.
 - Priority C: Those goals having little value and little importance.
4. **Reassign your Priority B goals into Priority A or Priority C—they are either worth your time or not.** The goals that are now on your Priority A list are your final goals.
5. **Review your Priority A goals separately and rank them according to importance.**
6. **Goals on the Priority C list can be delegated, put on the back burner, or discarded.**

Steps for accomplishing your goals

1. **Break each goal down into specific tasks.**
2. **Determine which tasks need to be completed sequentially, and put those in order.** If there are tasks that can be completed simultaneously, incorporate them into your plan accordingly.
3. **For each key task, describe measurable results or outcomes.**
4. **Determine what resources are needed to carry out each task and make sure that you have them available.** For example, do you have the money to get the job done? Do you have people with the necessary training to complete the task?
5. **Establish a time frame for the completion of each task.** Include a start and finish date. You may want to use a Gantt chart or some other time-scaled task diagram to make your schedule clear to your team.
6. **Set up milestones along the way to review project completion and overall impact.** Make sure to include what you expect to achieve by each milestone.
7. **Consider the potential obstacles that might confront each goal and its associated task, then map out possible solutions for each obstacle.**

Steps for monitoring your progress

1. **Work from your own daily and weekly schedules, and from your team's overall work plan.** Check off completed tasks as they occur.
2. **As you reach milestones, review upcoming tasks and required resources.**
3. **As you progress, update everyone involved in achieving the goals.**
4. **Step back periodically and assess whether your goals are still realistic, timely, and relevant.**
5. **If reaching any of the goals no longer creates value, revise that goal.** However, be sure to get buy-in from your team, upper management, and other involved groups before you do.
6. **When you feel you have reached a goal, confirm that others agree that the goal has been accomplished and the desired impact achieved.**
7. **Identify what was successful and what you would change in the future for each completed goal.** Record both and communicate your lessons learned to everyone involved.

Tips for setting unit goals

- Keep a running list of possible goals to consider when brainstorming your goal list.
- Make sure that your goals fit into your manager's and organization's goals.
- Keep goals **SMART** (Specific, Measurable, Achievable, Realistic, Time-limited).
- Write your goals down and keep the list visible.
- Combine tasks from different goals where possible.

Tips for setting your team members' goals

- Give as much control and input as possible to your staff in developing their own goals. Be especially sensitive to time frame suggestions.
- Tie goal achievement to performance evaluation; this will demonstrate to the team how much you value achieving the goal.
- Once you have agreed to a goal, set up adequate resources and authority to do the job. Make sure that others are supportive too.
- Encourage your staff to consider goals that require them to have additional training. Follow through on getting them trained.
- Let your staff decide how to recognize goal achievement.

Tips for increasing goal success

- Spend priority time on completing the tasks that relate to your goals.
- Do not allow Priority C goals to creep onto your Priority A list.
- Work with goals that are compatible with one another. Conflicting goals compete for your attention.
- Make your goals known to others who can help directly or be supportive.
- Be persistent. Remind yourself of the payoff when you hit snags.
- Take the time to celebrate after reaching critical milestones.

Goal development worksheet

Goal Development Worksheet

Use the following chart to identify goals in different work areas. After you have identified the goals and expected outcomes, assign a priority to them.

[illegible]

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SMART goal worksheet

SMART Goal Worksheet		
Use this worksheet as a guide to writing SMART goals.		
Part I : Identify your goal		
Write your goal in the space below.		
Part II: Is your goal SMART?		
Evaluate the goal you listed above according to the SMART criteria. If you can answer "yes" to all of the following questions, your goal is SMART.		
Is your goal...	Yes	No
S pecific: Can you describe the details?		
M easurable: Can you measure the goal using either quantitative or qualitative assessments?		
A chievable: Can you achieve your goal?		
R ealistic: Can you achieve your goal within the current environment, given existing constraints?		
T ime-limited: Have you set a deadline for your goal?		
If you answered "no" to any of the criteria above, you may want to consider rewriting your goal. Rewrite your new, SMART goal in the space below.		

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Goal and task worksheet

<i>Goal and Task Worksheet</i>		
<i>List the tasks associated with each of your goals and include the time frame, resources needed, potential obstacles, measured outcomes, and milestones for each task.</i>		
Goal:		
Payoff:		
Task 1:	Time Frame:	Resources:
Obstacles:	Measured Outcomes:	Milestones:
Task 2:	Time Frame:	Resources:
Obstacles:	Measured Outcomes:	Milestones:
Task 3:	Time Frame:	Resources:
Obstacles:	Measured Outcomes:	Milestones:
Task 4:	Time Frame:	Resources:
Obstacles:	Measured Outcomes:	Milestones:
Task 5:	Time Frame:	Resources:
Obstacles:	Measured Outcomes:	Milestones:

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Obstacles/solutions worksheet

<i>Obstacles/Solutions Worksheet</i>					
<i>Before you begin executing your tasks, list the potential obstacles. Identify the possible solutions and then evaluate how well your solution worked.</i>					
Goal:					
Obstacle	Solution	How Well Solution Worked			Comments
		Not Effective	Effective	Very Effective	
Incomplete information	Start anyway		X		In the future I will make sure that resources get me information prior to my start time. I prefer to work with more complete information.

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Worksheet for evaluating goals

<i>Worksheet for Evaluating Goals</i>
<i>After you have completed the tasks for a goal, use this worksheet to evaluate the goal.</i>
Description of goal:
Briefly describe your goal.
Was the goal achieved?
If not, was the goal realistic?
Did the payoff meet or exceed expectations?
Explain.
Would you approach a similar goal the same way?
Explain.
Did you communicate your evaluation to all participants?
If so, how was it received?

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Why Develop Others?

“At the end of the day, you bet on people, not strategies.”

Larry Bossidy

Former CEO, AlliedSignal

In today’s global business environment, markets and regulations change quickly. Competitors constantly innovate. Technological changes are the norm.

In order to outmaneuver the competition and meet the demands of the moment, organizations must be agile. They must execute flawlessly. And they must transform themselves continuously.

Are your leaders ready?

Dr. Noel M. Tichy

Professor

University of Michigan Ross School of Business

We have now entered an era where I don’t care what industry you’re in, you need leaders who

can make decisions, make judgment calls at every single level. All the way down to the interface with the customer.

If you go to a company like Google or any of the high tech companies, a lot of the innovation that Amazon does is happening right at the front line. Go ahead, try it, put it out there, we'll learn from it. That cannot happen if the senior leadership doesn't have a commitment to both develop the leadership capability, but develop the business through engaging people at all levels of the organization.

Becoming a teaching organization

I like to tell parents that they cannot delegate their responsibility to develop their children. And I think it is the same in an organization. Day in and day out the person that has the biggest impact on people in the organization is the next level above and the associates around and below. And so to build a learning organization I say is not enough. Learning could be, you know we are learning cooking, we are learning this or that, but teaching organizations, when I learned something, I have a responsibility to teach my colleagues.

So everybody takes responsibility for generating new knowledge and it is not enough to be a learner, you then have to translate it into teaching.

The Virtuous Teaching Cycle

The role of a leader is to ensure that the people who work for them and around them are better every day. There's only one way to make people better. It's to teach them, learn from them, create what I call "virtuous teaching cycles", not command and control.

A virtuous teaching cycle is teach learn, teach learn. And the leader has a responsibility for reducing the hierarchy, for having a point of view to start the discussion, but then to be responsible to hear everyone's voice, get everyone involved in a disciplined way. It is not a free for all. But it is the leader's responsibility to create that virtuous teaching cycle.

A wonderful example of virtuous teaching cycle is the program that Roger Enrico ran at Pepsi, where every one of the 10 vice presidents comes with a business project.

Roger Enrico gets smarter as result of five days with 10 vice presidents, because he's learning from them. He needs to lower the hierarchy. He needs to be open to learning. And in turn, the people participating need to be energized and empowered to come up and engage in problem solving.

Another example is at Best Buy, where every morning in the stores you would bring 20 associates or so together and they would review the profit and loss statement from the day before, what we learned from the different customer segments in our stores, what we can do to improve our performance this day. And they do that every single day. The store manager was learning mostly from the associates on the floor.

That was a virtuous teaching cycle were everybody is teaching everybody, everybody is learning and the result has been an incredible result at Best Buy.

"The growth and development of people is the highest calling of leadership."

- Harvey S. Firestone

Founder, Firestone Tire and Rubber Co

There are clear advantages to leader-led development.

But for many leaders, taking on teaching, coaching, and other development responsibilities can seem daunting. You might avoid taking on these roles due to lack of time, resources, or your own lack of comfort with this role.

The following tips and resources can help you impart valuable learning to your team every day.

To develop others...

- Start with a Teachable Point of View

The first requirement of being able to develop other leaders is to have what I call a teachable point of view. I often give the example of, if I ran a tennis camp and you just came to day one of the tennis camp, I better have a teachable point of view on how I teach tennis. So you are standing there looking at me and it has got four elements. One, the ideas, well how do I teach the backhand, the forehand, the serve, rules of tennis. Then if I am a good tennis coach, I have a set of values. What are the right behaviors I want, how do I want you to dress, how do I want you to behave on the tennis court.

But if that's all I have, what do I do? Show you a power point presentation and then expect you to hit 500 backhands, 500 serves, run around for eight hours. I have to have a teachable point of view on emotional energy. How do I motivate you to buy in to the ideas and values?

On one end of the spectrum it could be I threaten you with corporal punishment, the other I can give you stock options, I can make you feel good about yourself, I can help you develop as a human being, what motivates you.

And then finally, how do I make the tough judgment calls, the yes/no, decisions as the tennis coach, the ball is in, the ball is out. I don't hire consultants and set up a committee, it is yes/no. And the same with running a business, what are the products, services, distribution channels, customer segments that are going to grow top line growth and profitability of the organization.

What are the values that I want everyone in the organization to have, how do I emotionally energize thousands of people, and then how do I make the yes/no, judgments on people and on business issues. So the fundamental building block of being able to develop other leaders is to have that teachable point of view just like the tennis coach.

To develop others...

- Lead with questions

Questions are hugely important because you want to create dialogue and again, what I call a virtuous teaching cycle where the teacher learns from the students and vice versa. Which means everybody ought to be free to ask whatever is on their mind, whatever it will take to get clarity and understanding, but it is not the leader just coming in and freeform asking questions. I believe the leader has a responsibility for framing the discussion, for having as best they can a teachable point of view, they may need help from their people in flushing it out, but they need to set the stage but then it has to be a very interactive, what I call virtuous teaching cycle environment, teach learn, teach learn, teach learn.

To develop others...

- Make it part of your routine

A good example to me of an outstanding leader developing other leaders is Myrtle Potter who at the time I am commenting was Chief Operating Officer of Genentech running the commercial side of the business. And she would take time at the end of every single meeting and do some coaching of the whole team on how we could perform as a team better, and then she would

often take individuals and say, could we spend 10 minutes over a cup of coffee, I want to give you some feedback and coaching on that report that you just presented on or how you are handling a particularly difficult human resource issue, but it was part of her regular routine. And I think the challenge for all of us as leaders is to make that a way of life and it is built into the fabric of how we lead and it is not a one off event, three times a year. It is happening almost every day.

To develop others...

- Make it a priority

One of the biggest challenges in getting people kind of on this path is to overcome some of their own resistance, either fear or the way I view the world I don't have time for this, everybody can make time. Roger Enrico is CEO of Pepsi. He didn't have time to go off for a week at a time and run training sessions. He had to readjust his calendar. So it requires you to look in the mirror and say, is this important. If it is important, of course I can make the time. Then I have to get over my own anxiety on how well I can do it, but it is a commitment to get on the path that says: this is how I am going to drive my own performance and the performance of my colleagues.

To develop others...

- Learn to teach

I think the biggest mistake is to assume you are going to be good at it right off the bat. It is like learning anything else. First time you go out and try and play tennis, good luck. But you got to stay with it and you got to engage your people in helping make you better and them better. And so it is a journey you need to get on, not I am going to do it perfectly when I start out.

If you want to be a great leader who is a great teacher, it's very simple. You have got to dive into the deep end of the pool. But you've got to dive into the pool with preparation. I don't want you drowning. I want you succeeding. It is extraordinarily rewarding for most human beings to teach others. I think once you can turn that switch on, it is self perpetuating. You get a lot of reinforcement, your team is better. You perform better because your performance goes up and it becomes this virtuous teaching cycle.

Your opportunity to develop others

We've heard why developing others can drive greater business results, and how to make the most of your leader-led development efforts. The materials provided in Develop Others enable you to create personalized learning experiences for YOUR team within the flow of their daily activities. Use the guides and projects to engage your team quickly. And to explore how key concepts apply to them in the context of their priorities and goals.

The value of teaching is the performance of the organization is totally dependent on making your people smarter and more aligned every day as the world changes. In the 21st century we are not going to get by with command and control. We are going to have to get by with knowledge creation. The way you create knowledge in an organization is you create these virtuous teaching cycles where you are teaching and learning simultaneously, responding to customer demands and changes, responding to changes in the global environment. My bottom line is if you're not teaching, you're not leading.

A leader's most important role in any organization is making good judgments—well informed, wise decisions about people, strategy and crises that produce the desired outcomes. When a leader shows consistently good judgment, little else matters. When he or she shows poor judgment nothing else matters. In addition to making their own good judgment calls, good leaders develop good judgment among their team members.

Dr. Noel M. Tichy

Professor, University of Michigan Ross School of Business

Dr. Noel M. Tichy is Professor of Management and Organizations, and Director of the Global Business Partnership at the University of Michigan Ross School of Business. The Global Business Partnership links companies and students around the world to develop and engage business leaders to incorporate global citizenship activities, both environmental projects and human capital development, for those at the bottom of the pyramid. Previously, Noel was head of General Electric's Leadership Center at Crotonville, where he led the transformation to action learning at GE. Between 1985 and 1987, he was Manager of Management Education for GE where he directed its worldwide development efforts at Crotonville. He currently consults widely in both the private and public sectors. He is a senior partner in Action Learning Associates. Noel is author of numerous books and articles, including:

For more information about Noel Tichy, visit <http://www.noeltichy.com>.

Share an Idea

Leaders are in a unique position to recognize the ideas and tools that are most relevant and useful for their teams. If you only have a few minutes, consider sharing an idea or tool from this topic with your team or peers that is relevant and timely to their situation.

For example, consider sending one of the three recommended ideas or tools below to your team with your comments or questions on how the idea or tool can be of value to your organization. By simply sharing the item, you can easily engage others in important conversations and activities relevant to your goals and priorities.

[Steps for identifying and prioritizing goals](#)

[Tips for increasing goal success](#)

[SMART goal worksheet](#)

To share an idea, tip, step, or tool with your comments via e-mail, select the EMAIL link in the upper right corner of the page that contains the idea, tip, step, or tool that you wish to share.

Discussion 1: Developing unit goals

As a manager, you are responsible for working with your team to set unit goals. These goals set the stage for what your group as a whole plans to accomplish. When developed carefully, these goals help focus your team on what is important, while providing a clear basis to measure progress and performance.

The process of developing unit goals can be carried out in several key steps. Use these resources to lead a discussion with your team about the first two important steps: (1) identifying potential unit goals; and (2) prioritizing and selecting unit goals.

Download resources:

[Discussion Invitation: Developing Unit Goals](#)
[Discussion Guide: Developing Unit Goals](#)
[Discussion Slides: Developing Unit Goals \(optional\)](#)
[Tips for Preparing for and Leading the Discussion](#)

The discussion helps you and your team understand and apply techniques for developing unit goals that will create the most value for your unit and your organization.

Working through the discussion guide can take up to 45 minutes. If you prefer a shorter 15- or 30-minute session, you may want to focus only on those concepts and activities most relevant to your situation.

Discussion 2: Maximizing goal success

In order to reach or exceed your team goals, it is crucial that your team pay attention to a couple of key elements. First, your team must see your goals as important and worthy of their effort. Otherwise, the team will lose momentum as you hit obstacles. Second, individual team members must have a clear understanding of their respective responsibilities. Only then will the full vision of your team goals be realized.

Use these resources to lead a discussion with your team about aligning team and corporate goals, establishing a sense of ownership for the goals, and assigning responsibility for goal components.

Download resources:

[Discussion Invitation: Maximizing Goal Success](#)
[Discussion Guide: Maximizing Goal Success](#)
[Discussion Slides: Maximizing Goal Success \(optional\)](#)
[Tips for Preparing for and Leading the Discussion](#)

The discussion you have with your team will build awareness of how your goals align with organizational strategy and demonstrate to your team the importance of what you are asking them to do.

Working through the discussion guide can take up to 45 minutes. If you prefer a shorter 15- or 30-minute session, you may want to focus only on those concepts and activities most relevant to your situation.

Start a Group Project

Just like any change effort, successfully incorporating new skills and behaviors into one's daily activities and habits takes time and effort. After reviewing or discussing the concepts in this topic, your direct reports will still need your support to fully apply new concepts and skills. They will need to overcome a variety of barriers including a lack of time, lack of confidence, and a fear of making mistakes. They will also need opportunities to hone their skills and break old habits. To help ensure their success, you can provide safe opportunities for individuals and your team as a whole to practice and experiment with new skills and behaviors on the job.

For example, to encourage the adoption of new norms, you can provide your team members with coaching, feedback, and additional time to complete tasks that require the use of new skills. Management approaches such as these will encourage team members to experiment with new skills

until they become proficient.

Group learning projects provide another valuable technique for accelerating team members' development of new behaviors. A group learning project is an on-the-job activity aimed at providing team members with direct experience implementing their new knowledge and skills. Through a learning project, team members discover how new concepts work in the context of their situation, while simultaneously having a direct and tangible impact on the organization.

The documents below provide steps, tips, and a template for initiating a group learning project with your team, along with two project recommendations for this topic.

Download resources:

[Tips for Initiating and Supporting a Learning Project](#)

[Learning Project Plan Template](#)

[Learning Project: Evaluating Unit Goals](#)

[Learning Project: Setting Individual Goals](#)

Challenges of Target Setting

[Janice Koch. "Challenges of Target Setting." *Balanced Scorecard Report*, July 2007.](#)

[Download file](#)

Summary

Setting appropriate targets—ones that motivate the right behavior without creating unintended consequences—is a delicate task. And ensuring that targets are fair across different units and functional areas is equally tricky. In the first of this occasional series on the challenges of target setting, we look at how two organizations in volatile industry environments set stretch targets.

Turning Goals into Results: The Power of Catalytic Mechanisms

[James C. Collins. "Turning Goals into Results: The Power of Catalytic Mechanisms." *Harvard Business Review*, February 2000.](#)

[Download file](#)

Summary

Most executives have a big, hairy, audacious goal. They write vision statements, formalize procedures, and develop complicated incentive programs—all in pursuit of that goal. In other words, with the best of intentions, they install layers of stultifying bureaucracy. But it doesn't have to be that way. In this article, Jim Collins introduces the catalytic mechanism, a simple yet powerful managerial tool that helps translate lofty aspirations into concrete reality. What's the difference between catalytic mechanisms and most traditional managerial controls? Catalytic mechanisms share five characteristics. First, they produce desired results in unpredictable ways. Second, they distribute power for the benefit of the overall system, often to the discomfort of those who traditionally hold power. Third, catalytic mechanisms have teeth. Fourth, they eject "viruses"—those people who don't share the company's core values. Finally, they produce an ongoing effect.

